

OFFICE COPY

Prepared By _____

Approved By _____

An act to amend Section 3258 of the Public Resources Code, relating to oil and gas, and making an appropriation therefor, to take effect immediately, bill related to the budget.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 3258 of the Public Resources Code is amended to read:

3258. (a) The division shall not make expenditures pursuant to this article that exceed the following sum in any one fiscal year:

(1) Two million dollars (\$2,000,000) commencing on July 1, 2008, for the 2008–09 fiscal year, and continuing for ~~three~~ six fiscal years thereafter.

(2) One million dollars (\$1,000,000), commencing with the ~~2012–13~~ 2015–16 fiscal year.

(b) On October 1, 2011, the department shall report to the Legislature on the number of orphan wells remaining, the estimated costs of abandoning those orphan wells, and a timeline for future orphan well abandonment with a specific schedule of goals.

SEC. 2. There is hereby appropriated one thousand dollars (\$1,000) from the General Fund to the Division of Oil, Gas, and Geothermal Resources for administrative costs.

SEC. 3. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately and become operative on July 1, 2012, but not sooner than the operative date of the Budget Act of 2012.

OFFICE COPY

Prepared By _____

Approved By _____

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Oil and gas: hazardous wells.

(1) Existing law prohibits the Division of Oil, Gas, and Geothermal Resources in the Department of Conservation from expending, through the 2011–12 fiscal year, more than \$2,000,000 in any one fiscal year for the purpose of hazardous or idle-deserted wells. The division is prohibited from expending, commencing with the 2012–13 fiscal year, more than \$1,000,000 in any one fiscal year for the purpose of hazardous or idle-deserted wells.

This bill, instead, would authorize the division to expend, commencing on July 1, 2008, up to \$2,000,000 in any one fiscal year through the 2014–15 fiscal year, and up to \$1,000,000 commencing with the 2015–16 fiscal year.

(2) This bill would appropriate \$1,000 from the General Fund to the Division of Oil, Gas, and Geothermal Resources for administrative costs.

(3) This bill would declare that it is to take effect immediately and become operative on July 1, 2012, or on the operative date of the Budget Act of 2012, if that is later, as a bill providing for appropriations related to the Budget Bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.